



**SCOTTSDALE AIRPORT ADVISORY COMMISSION
PUBLIC MEETING
Scottsdale Airport Terminal Lobby
15000 N. Airport Drive, Scottsdale, AZ**

October 5, 2011

MINUTES

- PRESENT:** Gunnar Buzzard, Chairman
Michael Goode, Vice-Chairman
William Bergdoll (left at 8:50 p.m.)
Ken Casey
William Schuckert
John Washington
Steve Ziomek
- STAFF:** Shannon Johnson, Management Analyst
Gary P. Mascaro, Aviation Director
Kate O'Malley, Planning & Outreach Coordinator
Chris Read, Airport Operations Manager
- OTHERS:** Melissa Addington, PSM²
John Berry, Esq., Berry & Damore
Vicki Beaudoin, Ciao Baby
Brad Carr, AICP Senior Planner
Steve Cross
Michael Curley, Esq.
Buzz Guzznell, Woodvine Development
Judd Herberger, CrackerJax
Dee Dee Maza, Ciao Baby
Greg Mead, Stantech
Jeff Newberg, Zocallo Residential
Tommy Walker, Scottsdale Air Center
Michael Withey, Esq.

CALL TO ORDER

Chairman Buzzard called the meeting to order at 6:00 p.m.

ROLL CALL

A formal roll call confirmed the presence of Commissioners as noted above.

PLEDGE OF ALLEGIANCE

Chairman Buzzard led the meeting in the pledge of allegiance.

AVIATION DIRECTOR'S REPORT

Mr. Gary Mascaro, Aviation Director, stated that Planning and Outreach Coordinator Ms. Kate O'Malley would speak. She announced that the Scottsdale Airport marketing video has been completed. She screened the five-minute video, which can be viewed on the website. Ms. O'Malley noted how this will be used, including a Chinese version that Mayor Lane will show during his trip to China later this fall.

APPROVAL OF MINUTES

1. Approval of Minutes

Regular Meeting: August 10, 2011

Chairman Buzzard announced that henceforth, all votes would be taken by polling individual Commissioners.

Commissioner Washington made a motion to approve the regular meeting minutes of the August 10, 2011 meeting. Commissioner Casey seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

PUBLIC COMMENT

None noted.

CONSENT AGENDA

1. Discussion and Possible Action Regarding Application for Airport Aeronautical Business for Appearance Group, Inc. to conduct Mobile Aircraft Washing Services.
2. Discussion and Possible Action Regarding Application for Airport Aeronautical Business for Caliber Jet, LLC to conduct Aircraft Charter Services.

Commissioner Washington moved the approval of the consent agenda items. Commissioner Ziomek seconded the motion, which carried by a unanimous vote of seven (7) to zero (0).

Chairman Buzzard welcomed Commissioner Ziomek to the Airport Advisory Commission. Commissioner Ziomek introduced himself, saying he has been a Scottsdale resident since 1982. He attended the United States Coast Guard Academy and flew rescue missions for the Coast Guard for over ten years. Currently he flies for the Civil Air Patrol stationed at the Airport and is involved in real estate enterprises around the Valley. He said it is a challenge to maintain the continuity of the Airport and surrounding communities and he looks forward to working with the Commission.

REGULAR AGENDA

3. Election of Vice Chair

Mr. Mascaro thanked former Vice Chair John Washington for his help and support to Airport staff.

Chairman Buzzard echoed his comments. Although any of the Commissioners are qualified to fill this position, he made a motion to nominate Commissioner Goode. Commissioner Washington seconded the motion. He agreed that any of the Commissioners could serve as Vice Chairman and was pleased that Commissioner Goode is prepared to do so. The motion passed by a unanimous vote of seven (7) to zero (0).

Agenda Items 4 - 8

Chairman Buzzard commented that the Commission will be considering a number of land use issues during tonight's meeting. After all input, the Commission will vote on the items one by one. He acknowledged that this is an unusual way to proceed but there are many overlapping concepts between agenda items 4 through 8. Public commentary would be limited to three minutes each.

Chairman Buzzard noted that the discussion on Zocallo Residential includes agenda item 4, 6-GP-2011; and agenda item 5, 10-ZN-2011. The discussion on Scottsdale Airpark Community includes agenda item 6, 7-GP-2011; and agenda item 7, 11-ZN-2011. Agenda item 8 concerns 8-GP-2011 regarding CrackerJax.

Ms. O'Malley clarified that Senior Planner Mr. Brad Carr will speak from the audience after the Applicants' presentations. She elaborated that these items are on the agenda in accordance with Chapter 5 of the Scottsdale Revised Code. Since 2008 the Airport Advisory Commission must be advised and make recommendations to the Planning Commission and City Council on any items in conflict with the noise studies, Part 150 Noise Compatibility Study. This is to protect the Airport's interests against further encroachment by noise sensitive development.

4. Discussion and Possible Action to recommend approval of 6-GP-2011 Zocallo Residential
5. Discussion and Possible Action to recommend approval of 10-ZN-2011 Zocallo Residential

Ms. O'Malley noted that Zocallo is a residential development which is considered noise sensitive; the location lies within the Airport Influence Area.

Mr. John Berry of the law firm Berry and Damore, introduced Applicant Mr. Jeff Newberg and noise consultant Mr. Greg Mead of Stantech. Mr. Berry noted he was recently appointed to the Phoenix Aviation Advisory Board. He said this topic deserves a great deal of background and context in order to have a fruitful discussion. He presented the Zocallo Residential project, stressing that the application is to rezone from commercial to residential for rental apartments.

Vice Chairman Goode asked whether there was any possibility that the rental apartments could be converted to condominiums. Mr. Berry said that in conversations with the Chamber of Commerce, which supports this application, this question had been raised. The Applicant will voluntarily enter into a binding development agreement with the City requiring the developer to ensure that the units remain rental and can never be converted to fee ownership.

Noting the higher income demographics the Applicant expects to attract as tenants, Vice Chairman Goode pointed out that although ICE supports the project, their employees are not likely to fall into that category. Mr. Berry said he is not aware of the demographics of ICE employees. Mr. Newberg said he has met the owners of ICE several times. They have indicated to him that over 10 % of their sales force earn six-figure incomes, although he does not know how many salespeople are working in the former Dial building near the project.

Vice Chairman Goode said in the long term his biggest concern is to avoid a situation like Santa Monica where numerous noise lawsuits have been launched. Even if people sign a disclaimer they may still complain about noise levels. Helicopters are the biggest noise source; there are already 15 and doubtless the fleet would increase over time. If residents complain, helicopter operations may be restricted and this would threaten Airpark and Airport operations in the long run. He is concerned about the three applications before the Commission tonight and the possibility of more such projects in the near future.

Mr. Berry replied that everyone is concerned for the Airport. His Applicant is willing to enter into a legally binding document that says that these units cannot be converted into condominiums but must remain rental. He pointed out that the vast majority of noise complaints come from single family homes. The aviation easements are very strong and the property owner signs them. He argued that renters are more likely to complain to their landlord about noise. The likelihood is that these individuals will be encouraged to move elsewhere. He added that the Applicant volunteered to include sound attenuation in the construction of the units. Interior noise levels will be reduced by 44 % compared to normal construction standards. Mr. Berry asserted that the developer wants tenants to be happy, and that they have that as a common interest with the Airport. The legally binding agreements will be in effect in perpetuity even if the development is sold.

Chairman Buzzard wondered whether sound attenuation would be required for the project if the Airport were not a factor. Mr. Berry said there is no legal mechanism by

which the City can require sound attenuation. Chairman Buzzard inquired about the quarterly noise report. Ms. O'Malley said the report was not in the packet because the meeting was earlier in the month than usual. Chairman Buzzard said although the Airport is significantly less busy than it was in 2007 and many homeowners have signed aviation easements, residents continue to complain nonetheless.

Commissioner Washington asked whether rental tenants will have to sign aviation easements and noise disclosure statements. Mr. Berry explained that the property owner would sign the aviation easement. Tenants will have to sign noise disclosure statements and the language has to be approved by the Airport Director.

Commissioner Washington asked for the definition of a minor General Plan amendment. Mr. Berry said the General Plan document defines major amendments and minor amendments are everything else. Commissioner Washington asked what would happen if the General Plan amendment were to be rejected and whether there would be any point in discussing the rezoning case. Mr. Berry said even if the Commission rejects the General Plan amendment he would request that they rule on the zoning case so that City Council could have the benefit of their knowledge on this matter. Commissioner Washington asked whether the citizen vote on the General Plan update would affect this. Mr. Berry said even if the revised General Plan were already in effect, this case would be considered a minor amendment.

Commissioner Washington expressed concern about how the noise measurements were made, noting that some units will be elevated so the noise levels in those may be higher. Mr. Berry said he could not give an answer to that question, but noted that because of the layout of the proposed four buildings, their mass will function as a sound block for most units. This would not apply to the limited number of units directly facing the runway. He enumerated legal uses currently permitted by right in this zoning such as schools, hotels, and churches. The advantage to the Airport of cases such as this is that the Commission then has the opportunity to require developers to sign aviation easements and put noise disclosure statements in place.

Commissioner Washington noted that Ironwood Village is well outside of the noise contours in the present application, yet staff receives many complaints from the residents. He feels it is too optimistic to believe that there would be no complaints from the current application. He summarized that although Zocallo may be a good project it is not necessarily a good idea. It would be hard to find two more incompatible uses than an airport and a housing development. He suggested that the Applicant consider another use such as an entertainment venue.

Mr. Berry pointed out that Ironwood Village contains large lot single family homes. In contrast these will be multi-family rental units. The existing multi-family units at the southern end of the runway are not generating noise complaints.

Commissioner Casey said he is in favor of development as long as it makes sense. However in this case the Commission must take decisions for the long term. A binding agreement that the units can never be converted to condominiums is a big step in the right direction. Tenants can easily move if bothered by noise; homeowners cannot. He shared Commissioner Washington's concern to avoid a Santa Monica situation in

Scottsdale. Commissioner Casey said this objection applies equally to all three applications on tonight's agenda. He commented that the noise study for the Zocallo application was done in August, which is not a typical month for air traffic.

Mr. Berry said that it was not possible to do a noise study in the peak season, given the timing of the project. Referring to Santa Monica, he said the economy is different. He opined that the ambient noise from traffic on Scottsdale Road and Greenway-Hayden would be louder than the air traffic noise.

Sharing that he has done a lot of research on airport noise pollution and attenuation in the past week, Commissioner Ziomek said it is ironic that the FAA has a home noise mitigation program that uses funds intended for airport improvements. He noted that airport and helicopter traffic will increase as the economy improves and that helicopter traffic so close to the Applicant's property is also a safety issue. Pilots do not follow published routes when flying VFR. He pointed out that the official Scottsdale Airport advisory says, "Safety always come first. Compliance with noise abatement procedures is at the pilot's discretion."

Mr. Berry said the VIP home noise mitigation program does not apply to Zocallo. He argued that any use of the land other than leaving it vacant is potentially a disaster waiting to happen.

Commissioner Ziomek asked whether the noise study included helicopters in the vicinity. Mr. Berry said the study was from a Friday noon through noon the next day, in order to measure noise from news helicopters, recreational aircraft users, et cetera. The consultant's report concluded that helicopters flew nearby but not actually over the property. Sound levels were 50 to 60 dBs over a period of no more than 10 seconds. That noise was overshadowed by the ambient noise of 50,000 vehicles going through the intersection on a daily basis. In reply to Commissioner Ziomek's inquiry, Mr. Berry opined that the sound of traffic is slightly blocked by the other existing buildings between this property and Scottsdale Road.

In response to a comment by Commissioner Washington, Mr. Mascaro commended all Applicants for paying attention to the needs of the Airport. He agreed with Mr. Berry that if a noise sensitive use is to be placed this close to the Airport, apartments would be the best use. All Applicants have gone above and beyond what staff has asked for. He displayed a map showing helicopter operational flight patterns for February 2011, noting that the FAA sets reporting points for the helicopters. This is nothing to do with the Airport. One reporting point is above CrackerJax. He spoke with the tower manager, who understands that if that development is approved the reporting point would need to be moved. The data on the map is incomplete; it was obtained from Sky Harbor and shows flight patterns above a certain altitude. The data was gathered from helicopters with transponders. Mr. Mascaro added that in the whole of February, there were only 32 helicopter arrivals and departures on the west side of the Airport. He added that he has known Mr. Castrogiovanni for many years and trusts that he will work with his tenants to ensure that helicopter operations do not impact the residents, as he said in his letter.

Mr. Berry recalled events in February including Barrett-Jackson, the Phoenix Open, and the Arabian Horse Show that combine to make this the busiest month at the Airport.

Commission Washington asked Mr. Mascaro whether if he had the final say, he would prefer business and industrial uses or apartments near the Airport. Mr. Mascaro said if he were just focused on the Airport, he would support businesses over apartments. However he added that if he were looking at this through the City of Scottsdale perspective, he does not believe that this use would be significant enough to create a detriment to Scottsdale Airport.

Commissioner Casey suggested that helicopter traffic volumes fluctuate less than aircraft traffic does with the seasons. He asked staff whether they know the percentage of fixed wing traffic that does not follow the flight paths. Mr. Mascaro said he does not.

Vice Chairman Goode commented that the volume of helicopter traffic seems too low. Mr. Mascaro explained that the map he displayed only shows the departures on the west side of the Airport. Commissioner Casey suggested some of the helicopter traffic was not picked up by TRACON for technical reasons. The news helicopters fly at odd hours both early in the morning and late at night.

Saying that the proposed sound attenuation to reduce noise levels to 20 dB inside the apartments is phenomenal, Commissioner Ziomek asked about any sound mitigation outside. Mr. Berry said the complex will generate its own ambient noise that will likely be louder than episodic bursts of helicopter noise in the area.

Referencing the land use elements and mitigation as they pertain to the noise compatibility plan in Chapter 7, and the FAA's 2006 response, Chairman Buzzard asked Mr. Mascaro if there is anything the FAA agreed with that he would take exception to, relative to land use. Chairman Buzzard elaborated that the FAA said that within their respective General Plans, the cities of Scottsdale and Phoenix should maintain the compatibility planned areas within the 55 dnl contour. The FAA described this as follows: "Within the City of Scottsdale General Plan 2001, the City of Phoenix General Plan and General Plan use map, compatible land uses have been planned for the areas surrounding the Scottsdale Airport, including those areas within the 55 dnl noise contour. The City of Scottsdale should preserve and encourage the City of Phoenix to preserve current compatible industrial, commercial, and open space designations within that study area. The City of Scottsdale should adopt the NCP as an element of the General Plan, giving it the same weight as other land uses policies. Scottsdale should also encourage the City of Phoenix to adopt this policy as part of its General Plan. The concept is a continuation of the existing FAA approved land element No. 2 from the 1997 noise compatibility plan, which was not part of the 1986 noise compatibility plan."

Chairman Buzzard added there are other elements of land use. "The cities of Scottsdale and Phoenix should maintain compatibility zoned areas within project study area" (i.e. the Airport influence area). "This land use measure is closely related to land use measure 1. The City of Scottsdale should retain and encourage the City of Phoenix to retain current commercial and industrial zoning designations within the study area. Both cities should discourage rezoning of residential and other noise sensitive land uses that are not consistent with the respective GPs. This is a continuation of existing FAA approved Land Use Element No. 3 from the 1997 Noise Compatibility Plan, which was not a part of the 1986 plan."

In terms of the FAA's interpretation, Chairman Buzzard opined that there are two salient points to understand with relation to Scottsdale's latest Noise Compatibility Plan and the policies put forward. The FAA recommended that the City consider looking at parcels north of the CAP, although he acknowledged that this is beyond the purview of the Commission.

Mr. Berry said the development is consistent with the General Plan. When the Part 150 study was approved by the FAA and the City of Scottsdale in 2005, it was consistent with the General Plan, which showed commercial. Housing is included within the definition of commercial in the Scottsdale General Plan, as long as it enhances the environmental and mobility elements.

Chairman Buzzard said he agreed that Mr. Berry's position is accurate, but he is concerned with the intent and the spirit of what was being put forward in the Noise Compatibility Plan. He reviewed the objectives, saying that they are nice to have but noting that the FAA does not consider whether an undue burden is being placed upon an applicant. He believes the Noise Compatibility Plan has done a good job of attempting to comply with each of the major objectives set out by the FAA.

Commissioner Schuckert opined that a residential component is probably unavoidable. The Zocallo project sets a very high development standard that subsequent applicants will have to strive to meet for rental projects. The Applicant has agreed to provide sound attenuation, and to preclude any future condominium conversion. This may be the best project for the land.

6. Discussion and Possible Action to Recommend Approval of 7-GP-2011 Scottsdale Airpark Community
7. Discussion and Possible Action to Recommend Approval of 11-ZN-2011 Scottsdale Airpark Community

Mr. Michael Curley, Esq. made a presentation on behalf of Applicant Sunrise Central Living. He noted that the site was formerly a car dealership that closed two and a half years ago. Since then the only expressions of interest, which did not come to fruition, were for a thrift store, a charter school, and a church. His presentation stressed the need for workforce housing in the Airpark area.

Vice Chairman Goode noted that most of the subject property is within the 55 dB contour line. Mr. Curley said it is about one-third of a mile from the center line of the runway. He added that the noise monitoring equipment was placed at Hayden Road, which is the closest area to the 55 dB contour line. With the proposed mitigation the sound levels inside the units would be 25 dB. Vice Chairman Goode enquired about how affordable this project will be for tenants. Mr. Curley replied their target income level is between \$60,000 and \$75,000. The units will be very attractive but affordable with one bedroom units and possibly some studios. He noted that the sound report was included in the Stantech report which the Commissioners received and confirmed to Chairman Buzzard that it was conducted under the same conditions as the Zocallo sound study.

Commissioner Washington asked whether the Applicant is prepared to make a binding stipulation that this project could never be converted to condominium units. Mr. Curley said this question never came up until this evening. However he noted that Sunrise only builds rental units so they have no problem with this. Commissioner Washington remarked that these stipulations can be undone. He reminded Mr. Curley that residents in Waterfront Towers (who were clients of Mr. Curley) and their neighbors had received assurances regarding Starwood and these were not honored when Starwood applied for rezoning last year. He asked how the Commission can feel comfortable that this will be a permanent situation.

Mr. Curley said the difference is that there was no legally binding requirement on Starwood. Only oral representations were made by the developer. Commissioner Washington asked how they can be sure that Mr. Curley's assurances will translate to a legally binding document. Mr. Curley said the Applicant would enter into those legally binding agreements before appearing at City Council. Commissioner Washington said with all due respect, the Applicant was basically asking the Commission to trust him. Mr. Curley replied that there is nothing else he can do at this point. He offered to return to the next Airport Advisory Commission meeting to follow up.

Commissioner Casey shared Commissioner Washington's concerns. He would need this commitment not to convert the units to condominiums to be in place before he could vote in favor of the project. He asked why the sound studies were done from noon Friday through noon Saturday.

Mr. Greg Mead of Stantech explained the rationale for the timing of the sound studies. Tenants in the age demographic would typically be out at work during the work week. They would likely be affected by airport noise at home on Friday evening and on the weekend. The study found that ambient traffic noise in the area created far more noise than did aircraft and helicopters.

Commissioner Casey commented that the timing of the study missed the early morning news helicopter takeoffs which occur every weekday morning around 6:00 a.m. He opined that weekends at the Airport are extra slow during the summer months.

Mr. Mead said he would have loved to do this study in January or February rather than June, but it was not feasible. However he pointed out that in June people may still want to have their doors and windows open, and since they are working will be around town.

Commissioner Ziomek said all three applications are among the closest to the center lane of the Airport. He asked whether the restriction to rental only of the units would be done via deed restriction. Mr. Curley said they would discuss this with the City Attorney's Office, and would probably draw up a deed restriction to ensure that it could never be expunged.

Commissioner Ziomek asked Mr. Curley and the other Applicants what would happen if these projects are approved, where would they draw the line if other commercial properties become vacant. Mr. Curley said he could not answer that, however currently there is no residential property in the Airport.

8. Discussion and Possible Action to Recommend Approval of 8-GP-2011 CrackerJax

Mr. Michael Withey, Esq. introduced Judd Herberger, property owner, and Buzz Guzznell from Woodvine Development, who together developed Kierland Commons. He told the meeting that Kierland has tried to be a good neighbor and an asset to the area and the Airport. They would like to do a similar development on the CrackerJax site. Planning staff recommend approval, and they have a unanimous recommendation for approval from the Planning Commission. He concurred with the comments of the other Applicants about the noise study. Their project is zoned AC-1 where multi-family housing is permitted. The Applicant believes they are in compliance with all the FAA guidelines and the City requirements. The site is far outside the 55 DNL area. Mr. Withey stressed that the Applicant is confident that this development can be another asset like Kierland and they want to work with the Commission, the Airport, and the City to achieve that. The developer is prepared to do noise mitigation and put an aviation easement and noise disclosure statements in place.

Vice Chairman Goode asked whether there are condominiums in Kierland. Mr. Curley replied that some of the units are condominium. There have been no noise complaints from those owners. In the current application they are not yet ready to decide whether condominium units will be offered. He would be happy to consult with the owners and report back to the Commission. If this is important to the Commission they should put that on the record.

Chairman Buzzard remarked that he does not believe that the Commission is at odds with the Applicants. Mr. Mascaro clarified that all three applications, with regards to the General Plan change, are asking for the AMUR component for the General Plan piece, but not for the zoning piece. In the area south of the Central Arizona Project aqueduct development should support business and tourism uses such as time shares, multi-family rental units, and corporate housing.

Commissioner Washington noted his understanding that the residential component of Scottsdale Quarter was enacted without input from the Airport Advisory Commission. Senior Planner Mr. Brad Carr concurred. Commissioner Washington said he thought the AMUR component was only a proposal and has not been enacted. Mr. Withey said the proposal recommended by the Planning Commission and staff had AMUR on all properties from Scottsdale Quarter up to Frank Lloyd Wright. Commissioner Washington recalled that prior to the approval of Scottsdale Quarter, there had been no plans to have any residential component in the Airpark at all. Mr. Carr explained that before the AMUR, which is part of the Greater Airpark Character Area Plan, the General Plan was in place since 2001 and the designation for this property was commercial, which would allow a residential component.

Commissioner Washington asked whether the Applicant could sue the City if the Commission recommends approval of this project but in the March election the voters do not vote for the proposed changes. Mr. Carr did not know.

He confirmed to Commissioner Casey that if approved, the Applicant will have to come back later for approval of site plans. Mr. Mascaro added that in the case of CrackerJax,

the Applicant will have to come back to the Airport Advisory Commission for a zoning change.

Mr. Tommy Walker of the Scottsdale Air Center recalled that about two years ago a proposal was brought to the Commission to allow housing in the area behind the Scottsdale Quarter. The Commission turned it down. He noted that the parcels in question tonight are very near the Airport and if approved will have consequences for the Airport for many decades to come. Citing his experience as a commissioner for the Long Beach Airport, he felt that despite all the promises of noise attenuation, complaints would emerge within a few years. He felt helicopters would fly over the buildings and there is no way to regulate how high they would fly. Mr. Walker said CrackerJax is under an arrival approach, and any alternate arrival approach would be flying over some built area. He opined that other helicopter operators will come to the Airport. With respect to the noise study, he noted that the Airport's busiest days are Thursday, Sunday, and Monday. Saturday is the quietest day. Mr. Walker concluded by stating that approving these projects could affect FAA funding, noting that Airpark traffic circulation is being studied by the City and the traffic that would be generated by these projects has not been taken into consideration. Scottsdale Air Center strongly opposes these projects.

Commissioner Washington said although he has great respect for all the Applicants and their representatives, these proposals represent an incremental erosion of the integrity of the Airport and Airpark. Residential encroachment is the death of a municipal airport. Scottsdale Airport contributes \$1 billion annually to the local economy. If they start down this path it is a slippery slope. He offered to lobby for free for the Applicants if they would consider another use.

Commissioner Casey said this is a tough question. He agreed with most of what Mr. Walker and Commissioner Washington said. There are great points on both sides. It would be naïve to think there will be no development around the Airport. He could support these developments with binding commitments that they could never be converted to condominiums.

Commissioner Ziomek said the challenge for the Commission is to maintain the integrity of the Airport.

Chairman Buzzard said the Commission has a responsibility to advise City Council on issues related to the Airport. At the same time they need to understand the community's business development needs and how this impacts the growth and development of the Airport. This is a very difficult issue to grasp. Many comments on both sides have been very beneficial to the Commissioners' understanding of this issue. The Commission must be concerned with both near and long-term issues. They have a gem in the Airport and are proud of its operation on behalf of the City. It is important to understand the spirit and intent of the policies and procedures in effect. If they do not stand for those policies the Commission is nothing but a changing, amorphous blob. The Commission has a responsibility to think of how the Airport will be in 15 to 20 years. The Airport is operating under some operational constraints. They have seen other airports with operational constraints instituted because of residential neighborhoods. He cited Orange County and Williams Gateway airports. Scottsdale Airport is landlocked and they must protect the asset they have.

Vice Chairman Goode said he wished they could go back in time to see how the airports which today are grappling with this issue were 20 years ago. The Arapajo County Airport Authority bought up available land around the airport, financing the purchase with an extra flowage tax. This is an option worth considering. He said the Applicants' presentations were very good and thought-provoking, however he still feels that the Commission has a responsibility to protect the Airport. Allowing the first applications will almost certainly lead to more residential applications and eventually to constraints on the Airport.

Commissioner Schuckert said this is a tough decision. Looking at the concepts and the limitations the Applicants are willing to place on the developments, and considering the options that might be proposed if the Applicants are turned down, he felt this is one of the best uses they could get on these properties at this time. In the big picture, he opined that to some degree, these projects would protect the Airport. These are quality developments with good stipulations. He expressed faith that the City will not allow this to become a slippery slope.

4. Discussion and Possible Action to recommend approval of 6-GP-2011 Zocallo Residential

Commissioner Washington said with all due respect he did not share Commissioner Schuckert's trust in the processes that have resulted in many zoning compatibility problems in the last couple of years.

Commissioner Washington made a motion to recommend that City Council not approve 6-GP-2011 Zocallo Residential. Commissioner Ziomek seconded. The motion carried by a vote of four (4) to (2). Commissioners Schuckert and Casey dissented. Commissioner Bergdoll was no longer present.

5. Discussion and Possible Action to recommend approval of 10-ZN-2011 Zocallo Residential

Commissioner Casey made a motion to recommend approval of 10-ZN-2011 Zocallo Residential with the following contingencies:

- 1) The units be for apartment use only, with the clear legal stipulation that the development can never be converted to condominiums.
- 2) A fair disclosure notice to be signed by every renter, to be jointly drafted by the Aviation Director and the Airport Advisory Commission Chairman setting out those contingencies.

Commissioner Schuckert seconded the motion.

Commissioner Casey stated that he respects all the reasons why people do not want more housing around the Airport because of the greater probability of noise complaints. He is cognizant of that and frankly scared by it. However all three of these projects are located out of the direct flight path of an estimated 90 percent of the traffic.

The motion failed by a vote of two (2) to four (4). Chairman Buzzard, Vice Chairman Goode and Commissioners Washington and Ziomek dissented. Commissioner Bergdoll was no longer present.

Chairman Buzzard made a motion not to recommend approval of 10-ZN-2011, Zocallo Residential. Commissioner Washington seconded the motion, which carried by a vote of four (4) to two (2). Commissioners Schuckert and Casey dissented. Commissioner Bergdoll was no longer present.

6. Discussion and Possible Action to Recommend Approval of 7-GP-2011
Scottsdale Airpark Community

Commissioner Washington made a motion not to recommend approval of 7-GP-2011, Scottsdale Airpark Community, seconded by Commissioner Ziomek. The motion carried by a vote of four (4) to two (2). Commissioners Schuckert and Casey dissented. Commissioner Bergdoll was no longer present.

7. Discussion and Possible Action to Recommend Approval of 11-ZN-2011
Scottsdale Airpark Community

Commissioner Washington made a motion not to recommend approval of 11-ZN-2011, Scottsdale Airpark Community, seconded by Chairman Buzzard. The motion carried by a vote of four (4) to two (2). Commissioners Schuckert and Casey dissented. Commissioner Bergdoll was no longer present.

8. Discussion and Possible Action to Recommend Approval of 8-GP-2011
CrackerJax

Commissioner Washington made a motion not to recommend approval of 8-GP-2011, CrackerJax, seconded by Commissioner Ziomek. The motion carried by a vote of four (4) to two (2). Commissioners Schuckert and Casey dissented. Commissioner Bergdoll was no longer present.

At the invitation of Chairman Buzzard, Commissioner Washington made a motion to take a brief recess. The motion was seconded by Commissioner Casey and passed with a vote of six (6) to zero (0). Commissioner Bergdoll was no longer present.

The Commission took a brief recess, after which a roll call confirmed that everyone except for Commissioner Bergdoll was in attendance. Chairman Buzzard announced that some agenda items would need to be tabled in view of the length of the meeting.

Chairman Buzzard made a motion to table agenda items 11, 12, 14, 15, 16, 17, 18, 19, and 20 until the November meeting. Commissioner Casey seconded the motion, which carried by a vote of six (6) to zero (0). Commissioner Bergdoll was no longer present.

Commissioner Casey noted this on agenda item 11 his email address was incorrect. He provided the correct information.

9. Discussion and Input regarding an Update to the Scottsdale Air Fair

Ms. O'Malley introduced Ms. Melissa Addington, Events Manager with PSM², the company managing the Scottsdale Air Fair. Ms. Addington thanked Airport staff and the City for their support. After a ten-year hiatus, the Air Fair will be back for the 15th time. They expect a huge turnout of approximately 20,000 for the event on November 5 and 6. She stressed that this will be a community event. Displays of military and historic planes will be static so that visitors can get close and explore the aircraft. Parades with marching bands, special guest appearances, and musical performers will be part of the show. Skydivers will participate in the opening ceremony. She assured the Commission that the Air Fair is being monitored by the FAA. Ms. Addington described in detail which parts of the Airport will be involved and what will be taking place.

Commissioner Casey thanked Ms. Addington for her hard work on the Air Fair. He asked whether the Airport will be closed during the event. Mr. Mascaro said the Airport will remain open most of the time. Staff are working with the Tower on the logistics. There will be brief closures but the details will not be available until approximately a week before the event. He clarified that the admission fees will be collected by PSM². The contract between PSM² and the City stipulated that the City was to give the company \$50,000 seed money. As revenues come in, they will be split 50/50 between the City and PSM² to a maximum of \$50,000 to reimburse the City. Ms. Addington interjected that a percentage of the proceeds will go to charity.

In response to a further question from Commissioner Casey, Ms. Addington stated that the Chamber of Commerce and the Airpark Advocacy Committee have helped approach local businesses for support. She assured him that the organizers have been working very closely with the tower on safety. An air fair is a community event and nothing like an air race. Aerobatics are not permitted because of the size of the Airport and the surrounding developments. The flights that are permitted during the Air Fair are comparable to normal operations.

Commissioner Ziomek said he has been working with Ms. Addington's team as the Civil Air Patrol will be participating. He said it has been wonderful and thanked her.

10. Discussion and Possible Action to recommend Adoption of Resolution No. 8843, authorizing contract 2011-121-COS with Ciao Baby Catering LLC, d/b/a Zulu Caffè to enter into a restaurant lease agreement at Scottsdale Airport Terminal Building

Management Analyst Ms. Shannon Johnson noted that the restaurant has been vacant for about two years. An RFP was issued in July. One proposal was received and evaluated by a proposal evaluation committee which consisted of two aviation employees and one Commissioner. All recommended moving forward with the proposal. She described the terms of the lease agreement.

DeeDee Maza and Vicki Beaudoin of Ciao Baby Catering described their concept. They will focus on breakfast, lunch, and happy hour. The menu will be simple, organic but

upscale food. They will also offer in-flight catering and take out. They hope to open in the first week of January but will not open until the liquor license is issued, which takes 105 days. Meanwhile they will be helping with the Air Fair and doing some catering. Chairman Buzzard said everyone is looking forward to the opening.

Commissioner Schuckert said there was not enough information in the packet to assess the proposal. Given that two restaurants have already failed in this location, he asked how they can be sure there will not be another failure.

Ms. Maza said that this location is not a destination restaurant so prices cannot be at typical Scottsdale levels. They hope to break even on the restaurant and make money with the catering business. She described her restaurant and catering experience. Commissioner Schuckert stressed that he wants to be sure enough emphasis is placed on the restaurant and that the catering business is not developed to the detriment of the restaurant experience.

Chairman Buzzard asked about the lease terms, which state "for sit-down food and beverage service only for immediate consumption on premises," and how this jibes with the grab and go concept. Ms. Maza said the grab and go will be a small area at the front, like a Starbucks, for customer convenience. It would not take the place of sit-down service. Further discussion about the lease ensued.

Saying he had enjoyed the privilege of sitting on the proposal evaluation committee, Commissioner Washington welcomed Zulu Caffe to the Airport, saying the Commission will support them in every possible way, including eating there. Commissioner Casey echoed his comments.

Ms. Maza said their catering is very high end and exclusive, by referrals. The name Zulu Caffe will give them access to a different market for drop-off catering. She was involved with the Blue Fig and with Jan D'Atri, so knows what worked and what did not with the previous Airport restaurants. She added that they would love to do in-flight catering. Commissioner Casey offered to help them network with top in-flight caterers around the country, stressing that the Commission wants this restaurant to succeed. Ms. Maza said the lease is written so that the City benefits from the restaurant and catering business succeeding.

In public commentary, Mr. Steve Cross, who helped Ciao Baby find the location, said the rent schedule is sufficiently low that the restaurant can exist with minimal sales. He believes the economics of this deal make a lot of sense.

Chairman Buzzard moved the adoption of Resolution No. 8843. Commissioner Washington seconded the motion, which carried by a vote of six (6) to zero (0). Commissioner Bergdoll was no longer present.

13. Discussion and Possible Action Regarding Airport Advisory Commission By-Laws Pursuant to the By-Laws of the Scottsdale Airport Advisory Commission, Section IV, Rules and Amendments, Paragraph 401, Amended Procedures

Mr. Mascaro explained there is a need for significant changes to the Commission's by-laws because staff needs clarification on the meeting start time, and because City Council made many changes about six weeks ago with regards to all boards and commissions.

Vice Chairman Goode inquired about the attendance rules. Mr. Mascaro said the rule is three consecutive absences or tardies, or absence or tardiness at four out of six meetings. It is the purview of the Commission Chair to notify City Council.

Chairman Buzzard inquired about the rules regarding length of commentary. Mr. Mascaro clarified that the three-minute rule applies to public commentary where an individual has submitted a card. The Chair shall allow presenters to make longer presentations at his discretion.

Chairman Buzzard remarked that his preference is to begin meetings at 6:00 p.m. unless they have a long agenda, such as tonight's, when they could start earlier. Commissioner Washington noted his preference to begin meetings at 5:00 p.m. Commissioner Schuckert supported a 6:00 p.m. start because it is easier for members of the public to attend. Mr. Mascaro pointed out that the by-laws currently state that meetings are to start at 6:00 p.m. However the Commission could change that through a motion. Commissioner Casey said tonight is a perfect example of why a 5:00 p.m. start would be preferable.

Chairman Buzzard made a motion to approve the by-laws as presented, maintaining the meeting time at 6:00 p.m. Commissioner Washington seconded the motion, which carried by a vote of five (5) to one (1). Commissioner Casey dissented, specifying he did not agree to the meeting time. Commissioner Bergdoll was no longer present.

FUTURE AGENDA ITEMS

None noted.

ADJOURNMENT

With no further business to discuss, being duly moved and seconded, the meeting adjourned at 10:00 p.m.

Respectfully submitted,

A/V Tronics, Inc. DBA AVTranz